

GLENBARD WASTEWATER AUTHORITY
Executive Oversight Committee
MINUTES
February 10, 2022
Meeting held at the Glenbard Wastewater Plant
945 Bemis Road, Glen Ellyn, IL

Members Present:

Mark Senak	President, Village of Glen Ellyn
Keith Giagnorio	President, Village of Lombard
Kelli Christiansen	Trustee, Village of Glen Ellyn
Mark Franz	Village Manager, Village of Glen Ellyn
Dave Buckley	Public Works Director, Village of Glen Ellyn
Carl Goldsmith	Public Works Director, Village of Lombard

Others Present:

Matthew Streicher	Executive Director, GWA
Thomas Romza	Assistant Director, GWA
Jon Braga	Maintenance Superintendent, GWA
Andy Pakosta	Operations Superintendent, GWA
Gayle Lendabarker	Administrative Secretary, GWA
Patrick Brankin	Assistant Finance Director, Village of Glen Ellyn

1. Call to Order at 8:00 a.m.
2. Pledge of Allegiance
3. Roll Call: President Giagnorio, President Senak, Trustee Christiansen, Mr. Niehaus, Mr. Franz, Mr. Goldsmith and Mr. Buckley answered "Present". Mr. Franz arrived at 8:04 a.m. after Roll Call and after approval of Consent Agenda items. Trustee Bachner was excused.
4. Public Comment
5. Consent Agenda - The following items are considered to be routine by the Executive Oversight Committee and will be approved with a single vote in the form listed below:

Motion the EOC to approve the following items including Payroll and Vouchers for of the month of January 2022 \$967,494.05 (Trustee Christiansen).

Mr. Franz motioned and President Giagnorio seconded the *MOTION that the following items, on the Consent Agenda be approved. President Giagnorio, President Senak, Trustee Christiansen, Mr. Niehaus, Mr. Goldsmith and Mr. Buckley responded "Aye" during a roll vote. The motion carried.*

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- 5.1 Executive Oversight Committee Meeting Minutes
 - January 13, 2022 meeting
- 5.2 Vouchers previously reviewed by Trustee Christiansen
 - January 2022
- 6. Request to Authorization to Approve Design Engineering Services pertaining to the 2022 Primary Clarifier/Gravity Thickener Improvements Project

In November 2021 Authority staff developed and sent out a request for qualifications and technical proposals to our six (6) shortlisted professional consulting firms for Design Engineering Services pertaining to the 2022 Primary Clarifier and Thickener Rehabilitation Program. The due date for the proposals was January 17, 2022.

The intent of the request for proposals was to retain a professional firm that would provide further assessment of the condition of the current equipment and to provide insight and design for the rehabilitation, replacement, and possible improvements that could be made to the existing condition. The professional firm is to design a rehabilitation plan to the primary clarifiers and thickener based off the greatest needs and cost-effective approaches, prepare bidding documents, assist in the bidding process, and provide construction engineering services. The scope of work is intended to take place in 2022, with construction possibly carrying over into 2023. The Authority has budgeted \$334,500 for the design, bidding, and construction engineering phases of this project out of the CY 2022 budget fund 40-580180.

The Authority received four sets of qualifications and technical proposals in response to the RFP that was sent out, at which point staff performed an internal review, and narrowed it down to Trotter and Associates (TAI) being the most qualified. This selection was discussed with the TAC and all were in agreement with the selected firm.

After the firm was selected, the cost proposal was requested from TAI and costs were negotiated to an agreed scope and effort specifics. The proposal includes a time & materials/not to exceed cost of \$243,100 for phase I and II of this project, Preliminary Design and Design Engineering services. This will leave \$91,400 for the Phase III, Construction Engineering services, later in CY2022, which is anticipated to be ample funds for these services.

Therefore, it is recommended that the EOC authorize the Authority to award Trotter and Associates, Inc. the Design Engineering Services pertaining to the 2022 Primary Clarifier and Thickener Rehabilitation Project in the amount not to exceed \$243,100. This amount will be taken out of the designated amount in the CY2022 Approved Budget, Fund 40-580180.

Mr. Niehaus motioned and President Giagnorio seconded the motion to award Trotter and Associates, Inc. the Design Engineering Services contract pertaining to the 2022 Primary Clarifier and Thickener Rehabilitation Project in the amount not to exceed \$243,100, to be charged to the Capital Improvement Account 40-580180-22005. President Giagnorio, President Senak, Trustee Christiansen Mr. Franz, Mr. Niehaus, Mr. Goldsmith, and Mr. Buckley responded “Aye” during a roll vote. The motion carried.

Mr. Romza summarized that this project will rehab and replace equipment, which is original to the facility’s build; and while some of the equipment has been repaired and updated over time, the majority of the equipment has reached the end of its useful life.

Mr. Romza added that GWA sent RFP requests to the six (6) short-list engineering firms, and received four (4) bids in return for phases I and II; and after review by GWA staff, Trotter was selected to perform the work. Mr. Romza stated that they did work with Trotter to reduce the scope of work, removing items that seemed to be unnecessary and reached the price of \$243,100 for preliminary and design work. Mr. Romza noted that the CY2022 Capital Improvement budget had allocated \$334,500, which leaves approximately \$91,000 for construction oversight services.

Mr. Franz asked what the timeline for the project would be. Mr. Romza stated that it would be relatively quick, with the design ready by late Spring and going out to bid for construction during the summer. Mr. Romza added that this is an IEPA loan project so the timelines are rather strict to meet the loan application deadlines.

Mr. Niehaus noted the stated late 2022 and could run into early 2023. Mr. Streicher added that as this project will be paid for using the IEPA SRF, the bid notice for the project cannot be advertise until July 1st, with the bid opening taking place in August; then once the bids are received, reviewed and a company selected, the paperwork must be sent to the IEPA for review and final loan approval. Mr. Streicher stated that while the project has preliminary loan approval, all of the paperwork needs to be finalized with the contractor costs and while the IEPA says it should take 60-90 days, reviews and final approvals have been taking 120-160 days for approval to come through; then GWA will be able to issue final award of the contract. Mr. Streicher stated that based on everything, actual construction will most likely not start until Fall of 2022 and will most likely carry over into CY2023.

Mr. Niehaus asked Mr. Streicher and Mr. Romza if they anticipated bids coming in higher on this and future projects due to the rising costs of materials and supply issues, or as this is a niche industry that things will be on par or should the EOC Committee anticipate the bids typically being higher than what is being projected. Mr. Streicher noted that in order for GWA to stay on the IEPA’s intended funding list, GWA must submit an annual nomination list of projects and projected costs and he has already increased costs for this year’s nomination forms and CY2023 Capital Budget Plan; and advised he does intend to

increase cost estimates for all future capital projects by approximately 15%, as Trotter stated that they are seeing a 16%-19% increase in costs on recent projects.

Mr. Niehaus asked Mr. Goldsmith to comment on the Village of Lombard's approach to address to this issue. Mr. Goldsmith stated that the Village has had discussions about the current inflation situation being an issue and the pending infrastructure funding that is supposed to be in the pipeline and if the funding materializes, their concern is that qualified contractors will not be available as IDOT, the Tollway and the City of Chicago, will all be flush with money and as a result. Mr. Goldsmith continued by stating that the Village is considering postponing any maintenance programs, like roadways, for two (2) years and do the bare minimum to keep them in good working order. Mr. Goldsmith added the Village is currently having their pavement evaluated through CMAP, and one of the analyses he has asked them to do is to remove two (2) years of funding and advise what that will do to the depreciation or deterioration curves of the roads. Mr. Goldsmith stated he anticipates only spending 25% premium on work over the next two (2) years. Mr. Niehaus added that the plan to roll 75% over each year and do a three (3) project in the future.

Mr. Niehaus noted that the EOC Committee needs to be aware that when Mr. Streicher and Mr. Romza come to the EOC and say the costs came in 20% over budget, there is a valid reason.

Mr. Streicher noted that per the IGA, every five (5) years GWA must redo the facilities plan and that is a project scheduled for CY2023, which will reformulate the capital plan and take the new inflation rates into account. Mr. Streicher added that he does not foresee GWA having a shortage of qualified contractors as MWRD will most likely get a large portion of the funding, but as far as GWA goes, he does not anticipate too many opportunities to receive any of the funds as a lot will go to environmental justice areas, of which GWA does not have any that are high ranking. Mr. Streicher stated that GWA might be able to qualify for some of the funding through any loan forgiveness opportunities that are offered as they do intend to start doing that next year.

7. Request for Authorization for a 5-Year Lease of Atmospheric Vaporizers and Liquid Oxygen Hauling Agreement

In 2017 the Authority underwent a transitional process of beginning to haul liquid oxygen via a 3rd party instead of the previous method of creating pure oxygen through an on-site cryogenic process. Another component involved with the switch over to liquid hauling was the replacement of the hot water baths used to vaporize the liquid oxygen previously created onsite. Therefore, in 2017, the Authority also switched to using atmospheric vaporizers.

By switching to the delivery of liquid oxygen and the atmospheric vaporization process, it's estimated that the Authority saved over \$200,000 on electric and potable water costs over the course of the existing 5-year agreement, not including any overtime, maintenance, or other associated costs to keep the system running.

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The existing 5-year contract for the supply of the liquid oxygen and leasing of the atmospheric vaporizers expires in April 2022; therefore, a request for bids for a new contract was publicly advertised in late 2021. The bid package is enclosed with this memo; essentially the Authority is requesting pricing for the delivery of bulk liquid oxygen, and leasing of atmospheric vaporizers (including maintenance) for a 3-year period, with an automatic renewal for years 4 and 5, providing satisfactory performance. Although this will be paid on a per unit basis, bids were calculated using an estimated usage of oxygen, along with the 60-month term for the vaporizer leasing.

In late 2021 GWA publicly advertised a bid advertisement for a new 5-year contract for the delivery of pure liquid oxygen and the lease of atmospheric vaporizers. The bids were opened on February 1, 2022, below is a summary of the bids received:

Supplier	Liquid Oxygen Delivery Five-Year Term (04/2022 – 03/2027) 575,000,000 SCF – see breakdown below	Vaporizer Lease Five Year Term (04/2022 - 03/2027) 60 Months	Total
Airgas	\$2,382,915.00	\$90,000.00	\$2,472,915.00

	Price per 100 cubic feet (including sellers right to revise product pricing up to 5%/year)
Year 1	\$0.3750
Year 2	\$0.3938
Year 3	\$0.4134
Year 4	\$0.4341
Year 5	\$0.4558

The pricing for year 1 (anticipated contract start date in April 2022) realizes approximately 33% increase over the current year’s pricing of \$0.282/100 SCF. However, based on the restructuring of the new contract from the old contract, the contractor will no longer be able to assess variable delivery and fuel surcharges, which are not included in the existing price. Therefore, it’s assumed the contract has incorporated those costs into their pricing, hence the greater increase.

It is recommended that the EOC authorize the Authority to enter into a five-year agreement with Airgas, with the option to cancel after the third year, for the purchase of bulk liquid oxygen at a rate not to exceed \$0.3750/100 SCF for year one, \$0.3938 for year two, \$0.4134 for year three, \$0.4341 for year four, and \$0.4558 for year five, as well as the leasing of the atmospheric vaporizers at a rate of \$1,500 per month for the duration of the five-year contract.

Mr. Goldsmith motioned and Trustee Christiansen seconded the motion to authorize the Authority to enter into a five-year agreement with Airgas, with the option to cancel after the third year, for the purchase of bulk liquid oxygen at a rate not to exceed \$0.3750/100 SCF for year one, \$0.3938 for year two, \$0.4134 for year three, \$0.4341 for year four, and \$0.4558 for year five, as well as the leasing of the atmospheric vaporizers at a rate of \$1,500 per month for the duration of the five-year contract. President Giagnorio, President Senak, Trustee Christiansen, Mr. Niehaus, Mr. Goldsmith, and Mr. Buckley responded “Aye” during a roll vote. Mr. Franz recused himself from voting. The motion carried.

Mr. Streicher provided a background on how GWA shutdown its oxygen generation facility in anticipation of bio-nutrient phosphorus removal that was supposed to start in two (2) years, but has now been pushed out until 2028, in favor of having liquid oxygen delivered; as it was more economically feasible based on ongoing maintenance, electrical and potable water costs, as well as some other factors. Mr. Streicher added that as the current five (5) year contract is due to expire in April 2022, GWA sent out bid notices for both the liquid oxygen and vaporizer leasing. Mr. Streicher noted that only one (1) bid was received, which is the existing supplier, and while the rates did increase just a bit, staff believes that the increase is an effort to make the pricing all-inclusive of the \$100 per load delivery fee and the fluctuating fuel surcharge they have been accessing on each load. Mr. Streicher stated that while the price is a 33% increase, it was stated in the contract portion of the bid documents that the price is an “all inclusive”, to make it easier for GWA to budget. Mr. Romza noted that GWA has gone back to Airgas on multiple occasions during the past five (5) years to get them to reverse some of the charges and would prefer to not deal with that issue going forward.

Mr. Streicher explained that originally there was no delivery fee, but once we restricted their delivery hours to day time only hours, Airgas tacked on a \$60 per delivery fee, then it increased to \$100 and then they tried to up it to \$150 and he managed to get them to reduce it back to \$100. Mr. Streicher continued by stating that his believes the price increase is all inclusive as the last time the contract was done, Airgas came back to GWA stating we had to sign their contract and this time he made it very clear in the bid documents and the contract contained therein, that the pricing was to be all inclusive and if Airgas wants GWA to sign their own contract instead sticking to the bid document they submitted, he would get our legal counsel involved to insure GWA does not get hit with the random fees on every invoice.

President Senak asked if there was a price escalation above the 33%, over the course of the five (5) years. Mr. Streicher stated that there is an up to 5% increase each year for the next four (4) years. Mr. Senak asked if the yearly increase was in addition to the 33%. Mr. Streicher advised that the first-year price of the new contract reflects a 33% increase is over the current year.

8. Discussion

8.1 Capital Improvement Projects Update

Medium Voltage Electrical Grid Project

Mr. Romza advised that since the last meeting several major things happened with this project. Mr. Romza explained that one of the cables tied into a transformer seemed to not be tied in correctly and as a result of having the cable energized to warm it up prior to switched grids, when the contractor went to switch the transformer from the old grid to the new grid, the cable failed. Mr. Romza stated that the cause of the problem is being investigated by the manufacturer and GWA is currently waiting for the report from them to determine how to proceed; which leaves things at a standstill, to the point where the contractor is not on site for the week. Mr. Romza added that once a path on how to proceed is determined, the project will be able to continue. Mr. Romza advised that there is approximately 20% left to be done.

Mr. Franz asked how the injured contractor's employee was doing. Mr. Romza stated that he had not heard any updates in a while, but the employee did leave the hospital and talk was he would be back on the job within two-three weeks of the incident. Mr. Romza advised that GWA did receive the contractor's official incident report.

Mr. Romza stated that upon review of the change orders for the project, at this time, everything is still within the project allowances and there is currently no overall contract change order that needs to be done.

Mr. Streicher added that the previous day, Strand Associates advised that their contract for construction oversight has been exhausted and are currently not seeking an amendment but have indicated they would like to request one, as they are currently working out of GWA's pocket. Mr. Streicher stated that Mr. Romza's response to Strand's inquiry was that GWA needs to go back to the contractor, as in Strand's opinion the poor scheduling on Broadway's part, even with the delays due to supply chain issues, have led to an increase in the contract time and if Strand feels their \$6,000 amendment is justified, they need to be able to demonstrate the reasons to Broadway.

Mr. Niehaus asked if there is any material default on any work that GWA staff did, in terms of directing the contractor. Mr. Streicher noted that there may be a \$6,000 amendment coming from Strand, but the overall construction contract would see a \$6,000 deduction.

Biosolids Dewatering Improvement Project

Mr. Romza stated that the contractor has completed the rehab on one of the presses the previous week and it seems to be running well, so far, but staff is working on locking in the set points and getting used to it. Mr. Romza advised that in two weeks

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the plan is to rehab the second press and that the change orders on the project are, so far, within contract contingencies, even with the few supply chain issues that arose, the project should come close to being completed on time.

RAS/Return Activated Sludge Header Replacement

Mr. Romza advised that the project is starting today and should be a relatively quick project as it does involve the shutdown of several processes.

9.0 Other Business

9.1 Technical Advisory Committee Update

10. ***Next EOC Meeting*** – The next regularly scheduled EOC Meeting is set for ***Thursday, March 10, 2022 at 8:00 a.m.***

Mr. Streicher stated that at this time he does not anticipate the need for a March EOC Committee meeting, but he will confirm at a later date if the meeting is to be cancelled.

Mr. Franz announced the departure of the Village of Glen Ellyn's Finance Director, Christina Coyle, and, introduced the Assistance Finance Director, Patrick Brankin, who will be filling in for her.

Mr. Senak made the motion to adjourn the February 10, 2022 EOC Committee and President Franz seconded the MOTION. President Senak, President Giagnorio, Trustee Christiansen, Mr. Niehaus, Mr. Franz, Mr. Buckley and Mr. Goldsmith responded "Aye" during a roll call. The motion carried. The meeting adjourned at 8:21 a.m.

Submitted by:

Gayle A. Lendabarker
GWA Administrative Secretary